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FM AMEMBASSY SARAJEVO

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SIPDIS

DEPARTMENT FOR EUR (JONES), EUR/SCE (FOOKS/MCGUIRE), NSC
FOR HELGERSON

E.O. 12958: DECL: 04/20/2019

TAGS: PGOV PREL PINR KJUS KCRM KDEM BK

SUBJECT: BOSNIA: INDICTMENT FILED AGAINST FEDERATION PRIME
MINISTER BRANKOVIC AND FORMER PM BICAKCIC

REF: A. SARAJEVO 489

1B. 08 SARAJEVO 1088

Classified By: Michael J. Murphy. Reasons 1.4 (b) and (d).

Indictments filed against 2 Senior Bosniak Politicians

11. (SBU) Over the weekend, the Bosnian media confirmed that on April 14 the Sarajevo Cantonal State Prosecutor filed an indictment against Federation Prime Minister Nedzad Brankovic (Party of Democratic Action--SDA) and former Federation Prime Minister Edhem Bicakcic (SDA Federation PM from 1998-2001) alleging that Bicakcic illegally helped Brankovic acquire an apartment at the government's expense (Ref A). Both men are Bosniaks. In 2000 then PM Bicakcic allegedly issued an order to allocate funds from the Federation budget to purchase an apartment for Brankovic, who was then General Manager of EnergoInvest. Sources at the Sarajevo Cantonal Prosecutor's office tell us that they expect the Sarajevo Cantonal Court to confirm the indictment in the next few days. The indictment charges the pair with misuse of position and if convicted they could face jail terms between 3 months to 5 years. It is not yet clear when court hearings would begin against Brankovic and Bicakcic.

12. (SBU) The indictments against Brankovic and Bicakcic have sparked a flurry of public reactions from SDA leaders, exacerbating intra-party contention ahead of the SDA congress - and party presidential elections - on May 26. Party chairman Sulejman Tihic, a long-standing opponent of Brankovic, told the press that he believes Brankovic should resign if the indictment is confirmed. SDA VP - and contender for the party presidency - Bakir Izetbegovic asserted his support for Brankovic. Izetbegovic asserted that many Bosnian politicians have engaged in activities similar to those of which Brankovic is accused, but only Brankovic has been "unfairly" singled out for prosecution. (Note: Tihic over the past year has repeatedly attempted to garner SDA's support to replace Brankovic as Federation PM, but those initiatives consistently failed because of Izetbegovic's allegiance to Brankovic. End Note.)

Covic Indictment at Cantonal Level not Forthcoming

13. (C) Sources at the State Prosecutor's Office (SPO) had told us last week that they expected the Sarajevo Cantonal Prosecutor to file a separate indictment against Croatian Democratic Union BiH (HDZ-BiH) leader Dragan Covic (Ref A). However, it now appears that state-level and cantonal-level judicial institutions are playing pass the parcel with the

November 2006 State Court conviction against Covic, which was later invalidated by a State Court appeal panel over jurisdictional issues in September 2007 (Ref B). In June 2008 the State Court had declined a State Prosecutor's Office (SPO) request to reconsider the case, and instead recommended the case be heard by the Sarajevo Cantonal Court, claiming it had jurisdiction since Covic had been Federation Finance Minister at the time of the alleged crimes. Sources at the SPO tell us that Sarajevo Cantonal Chief Prosecutor Branko Sljivar passed the case back to the SPO claiming not to know whether to try the case at a first instance court or the Sarajevo Cantonal Supreme Court.

ENGLISH